FICCI Study Report on Performance of SEZs

*94. SHRI K. RAMA MOHANA RAO: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that a FICCI study calls for immediate steps to improve performance of SEZs;

(b) if so, what steps Government have taken to implement those recommendations; and

(c) whether Government have any Plan to grant exemption to the SEZs from the purview of the labour laws?

THE MINISTER OF COMMERCE AND INDUSTRY (SHRI MURASOLI MARAN): (a) and (b) The FICCI study briefly sets out some of the factors for success of Special Economic Zones (SEZs) while advocating a flexible labour policy for the Zones. The study has suggested that power of the Labour Commissioner be delegated to the Development Commissioner of SEZ to oversee the implementation of labour laws within the zone.

(c) The Government has not finalised its views in regard to changes in labour laws applicable to units in Special Economic Zones.

Monitoring on Indian Acquisitions Abroad

*95. SHRI VIJAY SINGH YADAV: Will the Minister of FINANCE be pleased to state:

(a) whether RBI is monitoring the performance of Indian acquisitions abroad?

(b) if so, the names of companies having acquisitions abroad;

(c) the details of remittances made to the Directors; and

(d) whether it is a fact that the case has been referred to FERA for investigation?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA): (a) to (d) Yes, Sir. The performance of the overseas acquisitions is monitored by Reserve Bank of India through the Annual Performance Reports submitted by the investing companies. The cases of defaulting companies, who do not comply with the terms and conditions of approval like submission of performance reports, repatriation of their dues from the overseas companies etc, and where serious irregularities have been committed are referred to the Enforcement Directorate for investigation and further action under Foreign Exchange Regulation Act (FERA) (earlier)/Foreign Exchange Management Act (FEMA) (now).

According to the information furnished by Reserve Bank of India, the names of Indian companies who have made acquisitions in foreign concerns during the period 1st January, 1998 to 31st January, 2001 with equity stake of 50% and more in the foreign concerns, the extent of such investments and the actual remittances by these companies are given in statement. *(see* below). The statement includes only takeovers of the existing foreign concerns by Indian companies and does not include investments in new joint ventures/ wholly owned subsidiaries abroad.

Statement

List of approvals for overseas acquisitions (majority stake) by Indian companies from 1st January, 1998 to 31st January, 2001

Approved Investment

Amount in US $ million

Sl. No.	Indian Promoter Co.	Date of approval	Country	Swap	Equity	Loan (L)/ Guarantee (G)	% of equity	Actual Remittances
1.	Silicon Automation Sys	17.3.1998	Japan	—	0.08	—	100	0.080
2.	Silicon Software Designs	29.7.1998	U.K.	—	0.04	—	100	0.001
3.	Usha Beltron Ltd.	17.9.1998	USA	—	0.13	—	100	0.058
4.	Gana Yantrika System	12.10.1998	USA	—	0.002	—	50	—
5.	Data Software Research	5.11.1998	USA	—	0.50	—	50	—
6.	Ramesh Flowers Ltd.	1.10.1999	USA	—	0.07	—	70	0.010
7.	SSI Ltd.	3.11.1999	USA	2.760	—	—	100	#
8.	Ogilvy & Mather Ltd.	19.3.1999	Sri Lanka	—	0.452	—	75	0.452
9.	SVG Software Pvt. Ltd.	19.3.1999	USA	—	0.05	—	66.67	0.019
10.	Pan Music & Magazines	5.3.1999	France	—	0.10	(L) 2.30	100	2.400

Sl. No.	Indian Promoter Co.	Date of approval	Country	Swap	Equity	Loan (L)/ Guarantee (G)	% of equity	Actual Remittances
11.	Sejal Gems Pvt. Ltd.	5.3.1999	USA	—	0.05	—	90	0.045
12.	Suvi Information System	31.5.1999	USA	—	000*	—	100	—
13.	Applitech Solutions Ltd.	14.6.1999	Singapore	—	0.14	—	100	—
14.	Applitech Solutions Ltd.	14.6.1999	Australia	—	000*	—	100	—
15.	Applitech Solutions Ltd.	14.6.1999	USA	—	0.02	—	100	—
16.	Gujarat Glass Ltd.	22.7.1999	Sri Lanka	—	9.05	—	100	—
17.	Infotech Enterprises	26.7.1999	U.K.	1.761	1.761	—	100	—
18.	Usha Belton Ltd.	27.7.1999	U.K.	—	7.75	(G) 3.00	100	2.853
19.	Techmatic (India) Pvt. Ltd.	16.8.1999	U.K.	—	000*	—	100	—
20.	Titagarh Industries Ltd.	28.8.1999	Belgium	—	0.762	—	86.57	0.091
21.	Zee Telefilms Ltd.	23.9.1999	BVI	470.589	—	—	100	#
22.	Zenith Infotech Ltd.	10.9.1999	Singapore	—	0.03	—	100	—
23.	SNR Softech Pvt. Ltd.	18.10.1999	USA	—	0.005	—	51	—
24.	Usha Beltron Ltd.	20.10.1999	BVI	1.976	000*	—	100	#
25.	Eastern Software System	21.10.1999	Indonesia	—	0.36	—	100	0.180

Sl. No.	Indian Promoter Co.	Date of approval	Country	Swap	Equity	Loan (L)/ Guarantee (G)	% of equity	Actual Remittances
26.	J.K. Informatics Ltd.	29.10.1999	USA	0.025	—	—	100	#
27.	East India Hotels Ltd.	12.7.1999	BVI	—	8.10	—	100	7.260
28.	Sterling Infotech Ltd.	23.12.1999	Singapore	—	0.68	—	87.5	0.774
29.	Silverline Industries	27.12.1999	USA	46.250	—	—	100	#
30.	Infonet Worldwide Ltd.	28.12.1999	USA	—	3.50	—	50	1.50
31.	Ind Telesoft Pvt. Ltd.	18.1.2000	USA	—	0.07	—	100	—
32.	Ind Telesoft Pvt. Ltd.	18.1.2000	USA	—	0.01	—	100	—
33.	Goa Carbons Ltd.	31.1.2000	Mauritius	—	0.03	—	100	0.030
34.	Zee Telefilms Ltd.	24.2.2000	BVI	63.920	148.26	—	50	148.260
35.	Berger Paints India Ltd.	2.5.2000	Nepal	—	0.69	(L) 0.29	100	—
36.	KLG Systel Ltd.	3.1.2000	USA	—	5.87	—	51	5.865
37.	GE Indian Service Ho	22.3.2000	Mauritius	—	0.002	—	100	—
38.	Leading Edge Systems	31.3.2000	Permuda	—	1.393	—	100	—
39.	Boston Management Consultants Pvt Ltd.	26.7.2000	USA	—	0.300	—	100	—
40.	Genesys Technology Ltd.	4.1.2000	USA	—	0.10	—	100	0.100

Sl. No.	Indian Promoter Co.	Date of approval	Country	Swap	Equity	Loan (L)/ Guarantee (G)	% of equity	Actual Remittances
41.	Jenson & Nicholson (I) Ltd.	2.5.2000	Nepal	—	0.003	—	95	—
42.	System America (India)	4.5.2000	Canada	—	0.18	—	100	0.016
43.	Strides Arcolab Ltd.	5.1.2000	USA	—	8.01	(G) 4.02	100	—
44.	Real times Holdings (P)	20.5.2000	USA	0.495	—	—	100	#
45.	Netacross Holdings & Investments	16.5.2000	Mauritius	0.419	—	—	100	—
46.	Ram Informatic Ltd.	24.6.2000	USA	5.734	1.516	—	100	#
47.	Synergey Login System	20.5.2000	Singapore	—	0.44	—	100	—
48.	Subex Systems Ltd.	6.1.2000	USA	0.300	6.413	—	100	3.566
49.	Tata Tea Ltd.	6.3.2000	U.K.	—	101.69	—	86.11	23.720
50.	Trigyn Technologies Ltd.	31.3.2000	Bermuda	139.397	—	—	100	#
51.	Arasan International	6.5.2000	USA	—	0.27	—	100	—
52.	Shriram Global Techno	26.7.2000	USA	—	0.50	—	100	—
53.	VMF Soft Tech Ltd.	6.9.2000	USA	—	0.35	—	100	—
54.	Rave Technologies	14.6.2000	U.K.	1.589	—	—	100	#
55.	Data Line Transcription	26.7.2000	USA	—	0.150	—	100	—

Sl. No.	Indian Promoter Co.	Date of approval	Country	Swap	Equity	Loan (L)/ Guarantee (G)	% of equity	Actual Remittances
56.	Teamasia Semiconductor (India) Ltd.	8.5.2000	Mauritius	—	6.48	—	100	—
57.	Wockhardt Ltd.	8.5.2000	USA	50.000	20.000	—	100	—
58.	Amex Information Technologies Ltd.	12.5.2000	Germany	—	—	(L) 0.200	100	0.111
59.	BFL Software Ltd.	8.6.2000	USA	168.028	—	—	100	#
60.	Shri MM Softeck Limited	18.8.2000	USA	84.55	—	—	100	#
61.	Spike Technolgoies	23.8.2000	USA	74.00	—	—	100	#
62.	UTV Software Communications	23.8.2000	Singapore	5.494	—	(G) 5.60	100	#
63.	UTV Software Communications	23.8.2000	BV Island	0.238	—	—	100	#
64.	Indiainfo. com Pvt. Ltd.	25.8.2000	USA	—	3.738	—	100	—
65.	OCS International (P) Ltd.	22.9.2000	Oman	0.738	—	—	100	#
66.	Boston Education	26.9.2000	USA	—	0.30	—	100	—
67.	ITC Ltd.	6.10.2000	USA	—	000*	—	50	—
68.	KLG Systel Ltd.	13.4.2000	USA	5.635	5.865	—	100	5.865
69.	Maersk India Ltd.	10.4.2000	Nepal	—	0.01	—	95	—
70.	Modi Entertainment Ne	10.4.2000	Mauritius	—	0.10	—	100	—

Sl. No.	Indian Promoter Co.	Date of approval	Country	Swap	Equity	Loan (L)/ Guarantee (G)	% of equity	Actual Remittances
71.	Navayuga Infotech Pvt. Ltd.	10.10.2000	USA	—	0.04	(L) 1.11	100	—
72.	Trigyn Technologies Ltd.	10.10.2000	USA	—	9.00	—	100	—
73.	SSI Software Services	15.11.2000	USA	—	2.00	—	100	—
74.	Insyst Technologies Ltd.	11.12.2000	BVI	—	3.83	—	100	—
75.	Helios & Matheson Tech. Ltd.	12.12.2000	USA	—	13.00	—	100	—
76.	Melstar Information Tech. Ltd.	13.12.2000	U.K.	1.74	5.10	—	100	—
77.	Sun Earth Ceramics Ltd.	27.12.2000	Netherland	—	4.49	—	100	—
78.	Multi Pack Systems P. Ltd.	16.1.2001	USA	—	0.25	—	100	—
79.	B2B Software Technologie	17.1.2001	USA	—	0.30	—	100	—
80.	Mold Tek Technologies Ltd.	20.1.2001	USA	0.20	0.24	—	100	—
81.	Infoban Technologies Ltd.	23.1.2001	USA	0.52	0.9	—	100	—

* Investment amount less that US$ 10,000.

No remittance involved.